

OPEN MEETING AGENDA ITEM

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JUN 24 2010

AZ CORP COMM  
Director, Utilities

June 22, 2010

Utilities Division  
Arizona Corporation Commission  
1200 West Washington St.  
Phoenix, AZ 85007

COLUMBUS ELECTRIC COOPERATIVE, INC  
Docket No. E-01851A-09-0305

Respectfully submitted herewith are the original and twelve (12) copies of:

Revised schedules of rates and charges, and

Proof of Revenue based on revised rates and adjusted test year level of sales.

These schedules are submitted in accordance with the recommendation of Administrative Law Judge Jane L. Rodda dated June 7, 2010. These schedules are submitted with the understanding that they are subject to any changes that may be required in the Final Decision of the Commissioners.

Bolinger, Segars, Gilbert & Moss LLP

By: *E. L. Moss*

Arizona Corporation Commission  
DOCKETED

JUN 25 2010

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AZ CORP COMMISSION  
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**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ELECTRIC CONSUMER RATE  
SCHEDULE A  
RESIDENTIAL SERVICE**

Page 1 of 2

**AVAILABILITY:**

Available to residential consumers, small schools, churches, community hall and other public buildings, for all rural and town uses requiring less than 50 KVA of transformer capacity, subject to established rules and regulations. The capacity of individual motors served under this schedule shall not exceed 10 HP.

**TYPE OF SERVICE:**

Single-phase, 60 cycles, at available secondary voltages.

**MONTHLY RATES:**

Customer Charge – All Customers - \$12.35

Energy Charge – All kWh – 8.64¢/kWh

**OPTIONAL RATE – Available at the option of the consumer:**

Customer Charge – All Customers - \$15.60

Energy Charge:

6 a.m. to 9 p.m. Mountain Standard Time – 9.75¢/kWh

9 p.m. to 6 a.m. Mountain Standard Time – 6.00¢/kWh

Metering and timing devices must be installed to record usage during each specified time.

Billings under this schedule may be increased by an amount equal to the sum of the applicable taxes, fees, or charges (exclusive of ad valorem, state, and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

The minimum monthly charge under the above rate where 5 KVA or less of transformer capacity is required shall be the customer charge. This minimum does not include any charges for kWh used, or applicable taxes.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumer's bill by an amount equal to the kWh usage multiplied by a fuel and purchased power adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month preceding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.04172/kWh.

**TERMS OF PAYMENT:**

The above rates are net, and due and payable within twenty (20) days from the date of bill.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ELECTRIC CONSUMER RATE  
SCHEDULE A  
RESIDENTIAL SERVICE**

Page 2 of 2

**TEMPORARY PURCHASED POWER COST ADJUSTMENT:**

Upon the approval of this tariff by the Arizona Corporation Commission, the Cooperative shall add to the consumer's net bill as computed above, a surcharge to amortize the one month unrecovered fuel and purchased power adjustment costs which the utility will realize upon the Commission's acceptance of the Cooperative's new base cost of purchased power. The amount of the surcharge per kWh and the duration to the application thereof shall be as directed by the Commission.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ELECTRIC CONSUMER RATE  
SCHEDULE B  
SMALL COMMERCIAL**

Page 1 of 2

**AVAILABILITY:**

Available for commercial and industrial service requiring transformer capacity of 50 KVA or less, for all uses within the utility's service area, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Single-phase and three-phase at available secondary voltages. Motors having a rated capacity in excess of ten horsepower must be three-phase.

**MONTHLY RATE:**

Customer Charge – All Customers - \$16.25  
Energy Charge – All kWh – 8.22¢/kWh

**OPTIONAL RATE – Available at the option of the consumer:**

Customer Charge – All Customers - \$19.50  
Energy Charge:  
6 a.m. to 9 p.m. Mountain Standard Time – 9.22¢/kWh  
9 p.m. to 6 a.m. Mountain Standard Time – 5.90¢/kWh

Metering and timing devices must be installed to record usage during each specified time.

Billings under this schedule may be increased by an amount equal to the sum of the applicable taxes, fees, or charges (exclusive of ad valorem, state, and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**MONTHLY MINIMUM CHARGE:**

The minimum monthly charge under the above rate where 10 KVA or less or transformer capacity is required shall be the customer charge, plus applicable taxes. For consumers requiring more than 10 KVA of transformer capacity is required shall be the customer charge, plus applicable taxes. For consumers requiring more than 10 KVA of transformer capacity, the minimum monthly charge shall be increased by \$1.50 for each additional KVA or fraction thereof required. Where it is necessary to extend or reinforce existing distribution facilities, the monthly minimum charge may be increased to assure adequate compensation for the added facilities. The minimum charge as computed above does not include any charges for kWh used.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ELECTRIC CONSUMER RATE  
SCHEDULE B  
SMALL COMMERCIAL**

Page 2 of 2

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumer's bill by an amount equal to the kWh usage multiplied by a fuel and purchased power adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month preceding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.04172/kWh.

**TEMPORARY SERVICE:**

Temporary service shall be supplied in accordance with the foregoing rate except that the consumer shall pay in addition to the foregoing charge the total cost of connecting and disconnecting service less the values of materials returned to stock. A deposit, in advance, may be required of the full amount of the estimated bill for service, including the cost of connections and disconnection.

**TERMS OF PAYMENT:**

The above rates are net, and due and payable within twenty (20) days from the date of bill.

**TEMPORARY PURCHASED POWER COST ADJUSTMENT:**

Upon the approval of this tariff by the Arizona Corporation Commission, the Cooperative shall add to the consumer's net bill as computed above, a surcharge to amortize the one month unrecovered fuel and purchased power adjustment costs which the utility will realize upon the Commission's acceptance of the Cooperative's new base cost of purchased power. The amount of the surcharge per kWh and the duration to the application thereof shall be as directed by the Commission.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ELECTRIC CONSUMER RATE  
SCHEDULE I  
ELECTRIC IRRIGATION SERVICE**

Page 1 of 2

**AVAILABILITY:**

Available to irrigation consumers located adjacent to the Cooperative's three-phase lines provided the Cooperative has sufficient available capacity, all subject to the established rules and regulations of the Cooperative covering this service.

**MONTHLY RATE:**

Customer Charge – All Customers - \$32.50  
Energy Charge – All kWh – 9.20¢/kWh

**OPTIONAL MONTHLY RATE**

At the option of the customer:

Customer Charge – All Customers - \$45.50  
Energy Charge:

During the period 8 a.m. to 9 p.m. Mountain Standard Time – 10.30¢/kWh

During the period 9 p.m. to 8 a.m. Mountain Standard Time – 6.00¢/kWh

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of the applicable taxes, fees, or charges (exclusive of ad valorem, state, and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**MONTHLY MINIMUM CHARGE:**

The minimum monthly charge under the above rate shall be the customer charge. This minimum charge does not include any charges for kWh used, or applicable sales tax.

**DETERMINATION OF CONNECTED HORSEPOWER:**

The Cooperative shall determine the connected horsepower by name plate ratings of the motors, or at its option by test under conditions of maximum operating load.

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain a power factor of not less than 90%. The Cooperative reserves the right to measure such power factor at any time. Should such measurement indicate that the power factor of the consumer is less than 90%, the consumer agrees, upon sixty (60) days written notice, to correct such power factor to 90%, or, if the Cooperative shall so elect, the energy for billing purposes shall be the energy as indicated by the meter reading, multiplied by 90%, and divided by the percent power factor.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ELECTRIC CONSUMER RATE  
SCHEDULE I  
ELECTRIC IRRIGATION SERVICE**

Page 2 of 2

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumer's bill by an amount equal to the kWh usage multiplied by a fuel and purchased power expense and kWh sales for the month preceding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.04172/kWh.

**TYPE OF SERVICE:**

Single-phase or three-phase, at standard secondary voltages.

**CONDITIONS OF SERVICE:**

- 1.) Reduced voltage starting equipment shall be required on all irrigation motors of 125 HP or larger, and across the line starters may be used up to and including 100HP.
- 2.) All wiring, pole lines, wires, and other electrical equipment beyond the metering point will be considered the distribution system of the consumer and shall be furnished and maintained by the consumers.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within ten (10) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**TEMPORARY PURCHASED POWER COST ADJUSTMENT:**

Upon the approval of this tariff by the Arizona Corporation Commission, the Cooperative shall add to the consumer's net bill as computed above, a surcharge to amortize the one month unrecovered fuel and purchased power adjustment costs which the utility will realize upon the Commission's acceptance of the Cooperative's new base cost of purchased power. The amount of the surcharge per kWh and the duration to the application thereof shall be as directed by the Commission.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ELECTRIC CONSUMER RATE  
SCHEDULE AS  
AGRICULTURAL SERVICE**

Page 1 of 2

**AVAILABILITY:**

Available to consumers, with motors of 20 horsepower or greater serving irrigation wells, irrigation machines, tail water pumps, and irrigation booster pumps located within the utility's service area, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Three-phase, 60 cycles, at Seller's standard voltages.

**MONTHLY RATE:**

Customer Charge – All Customers - \$65.00  
Energy Charge – All kWh – 6.95¢/kWh

The rate set forth above shall be applicable upon ten (10) days written notice from the customer, commencing with the first complete billing cycle thereafter.

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge shall be the customer charge plus an energy charge based on kWh usage assuming a load factor not less than thirty percent (30%). The Fuel and Purchased Power Cost Adjustment shall apply to kWh actually used.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of the applicable taxes, fees, or charges (exclusive of ad valorem, state, and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**DETERMINATION OF BILLING DEMAND:**

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes in each specified time period. If applicable, the billing demand for the month will be adjusted for power factor as provided below.



**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ELECTRIC CONSUMER RATE  
SCHEDULE AS  
AGRICULTURAL SERVICE**

Page 2 of 2

**CONDITIONS OF SERVICE:**

- 1.) Reduced voltage starting equipment shall be required on all irrigation motors of 125 HP or larger, and across the line starters may be used up to and including 100 HP.
- 2.) All wiring, pole lines, wires, and other electrical equipment beyond the metering point will be considered the distribution system of the consumer and shall be furnished and maintained by the consumers.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted for consumers with 50 kW or more of measured demand to correct for average power factors lower than 90% and may be so adjusted for other consumers if and when the seller deems necessary. Such adjustments will be made by increasing the measured demand 1% for each 1% by which the average power is less than 90% lagging.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumer's bill by an amount equal to the kWh usage multiplied by a fuel and purchased power adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month preceding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.04172/kWh.

**COLUMBUS ELECTTRIC COOPERATIVE, INC.**

**ELECTRIC CONSUMER RATE  
SCHEDULE LS  
LIGHTING SERVICE**

Page 1 of 2

**AVAILABILITY:**

Available to all consumers within the utility's service area, subject to established rules and regulations.

**TYPE OF SERVICE:**

Single-phase, 60 cycle, at available secondary voltages.

**MONTHLY RATE:**

175 Watt Mercury Vapor Lamps	\$11.75 per month
400 Watt Mercury Vapor Lamps	\$23.50 per month
100 Watt High Pressure Sodium	\$13.50 per month

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increase by an amount equal to the sum of the applicable taxes, fees, or charges (exclusive of ad valorem, state, and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge under the above rate shall be the net rate per month as quoted above, as established by contract between the consumer and the utility in accordance with the utility's extension policy.

In lieu of metering each individual lighting service, the utility has assigned a standard kWh usage to each service as follows:

175 Watt Fixture - 80 kWh per month;  
400 Watt Fixture - 180 kWh per month;  
100 Watt Fixture - 42 kWh per month.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the cooperative shall increase or decrease the consumer's bill by an amount equal to the kWh usage multiplied by a fuel and purchased power adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month preceding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.04172.

**CONDITIONS OF SERVICE:**

- (1) The term of this Agreement shall be for a period of four (4) years from the date hereof and shall continue thereafter from term to term, unless a written notice to the contrary is given by either party to the other at least 60 days prior to the expiration of the original term or of any renewal thereof.
- (2) The consumer hereby grants to Cooperative all easements necessary for Cooperative to install the electrical equipment upon the Consumer's property, and hereby grants Cooperative, its agents and employees, the right of ingress and egress to Consumer's premises for all purposes necessary for the performance of this agreement, including the express right to trim any tree on the premises.
- (3) All facilities installed by Cooperative will remain the property of the Cooperative and may be removed by the Cooperative upon discontinuance of service.

**COLUMBUS ELECTTRIC COOPERATIVE, INC.**

**ELECTRIC CONSUMER RATE  
SCHEDULE LS  
LIGHTING SERVICE**

Page 2 of 2

- (4) Automatic control devices shall be set for lights to burn from approximately dusk to dawn. Cooperative will exercise reasonable diligence at all times to furnish Consumer service as herein set forth, but will not be liable in damages for any interruption, deficiency or failure of service for any reason whatsoever. Cooperative reserves the right to interrupt the service when such interruption is necessary for repairs to lines or equipment. Any interruption of services for any reason shall not constitute a breach of contract.
- (5) Cooperative will provide at its expense all necessary wiring, replacements, material and labor for repairs and maintenance, whereby the light may be installed on an existing pole, or, by installing one (1) additional 30/7 pole and secondary wire for each light, not to exceed 100 feet distance from existing service with 110/220 volt service is available. When, at the consumer's request, service is required at a location other than mentioned above, the consumer will provide the pole, secondary wire and necessary transformer equipment, prior to the construction. Cooperative reserves the right to cancel this agreement in the event of excessive damage to its equipment by vandalism, malicious mischief, or other causes.

**TERMS OF PAYMENT:**

The above rates are net, and due and payable within twenty (20) days from the date of the bill.

**TEMPORARY PURCHASED POWER COST ADJUSTMENT:**

Upon the approval of this tariff by the Arizona Corporation Commission the Cooperative shall add to the consumer's net bill as computed above, a surcharge to amortize the one month unrecovered fuel and purchased power adjustment costs which the utility will realize upon the Commission's acceptance of the Cooperative's new base cost of purchased power. The amount of surcharge per kWh and the duration to the application thereof shall be as directed by the Commission.

**SCHEDULE H-2-2**

**Columbus Mountains Electric Cooperative, Inc.  
Proof of Revenue  
Proposed Rates**

**Arizona**

<b>Rates 1,11,21</b>	<b><u>Bills</u></b>	<b><u>KW</u></b>	<b><u>KWH</u></b>	<b><u>Rate</u></b>	<b><u>Revenue</u></b>
<b>Residential</b>					
Regular Rate					
Customer Charge	4,544			\$12.35	\$56,118
Energy Charge			2,126,122	\$0.0864	183,697
Time-of-Use Rate					
Customer Charge	334			\$15.60	5,210
Energy Charge - On Peak			126,292	\$0.0975	12,313
Energy Charge - Off Peak			96,506	\$0.0600	5,790
Power Cost Revenue			2,348,920	\$0.03162	74,273
					<u>\$337,402</u>
<b>Rates 4,14,24</b>	<b><u>Bills</u></b>	<b><u>KW</u></b>	<b><u>KWH</u></b>	<b><u>Rate</u></b>	<b><u>Revenue</u></b>
<b>Irrigation</b>					
Regular Rate					
Customer Charge	135			\$32.50	\$4,388
Energy Charge			131,222	\$0.0920	12,072
Time-of-Use Rate					
Customer Charge	33			\$45.50	1,502
Energy Charge - On Peak			44,982	\$0.1030	4,633
Energy Charge - Off Peak			51,641	\$0.0600	3,098
Power Cost Revenue			227,845	\$0.03162	7,204
					<u>\$32,897</u>
<b>Rate 5</b>	<b><u>Bills</u></b>	<b><u>KW</u></b>	<b><u>KWH</u></b>	<b><u>Rate</u></b>	<b><u>Revenue</u></b>
<b>Small Commercial</b>					
Regular Rate					
Customer Charge	396			\$16.25	\$6,435
Energy Charge			386,324	\$0.0822	31,756
Power Cost Revenue			386,324	\$0.03162	12,216
					<u>\$50,406</u>
<b>Rate 3</b>	<b><u>Bills</u></b>	<b><u>KW</u></b>	<b><u>KWH</u></b>	<b><u>Rate</u></b>	<b><u>Revenue</u></b>
<b>Ag Service</b>					
Regular Rate					
Customer Charge	98			\$65.00	\$6,370
Energy Charge			2,366,560	\$0.0695	164,476
Power Cost Revenue			2,366,560	\$0.03162	74,831
Minimum Bills					1,682
					<u>\$247,359</u>
<b>Area Lighting</b>					
Customer Charge	156			\$13.50	\$2,106
Assigned Kwh			6,552		
Power Cost Revenue			6,552	\$0.03162	207
					<u>\$2,313</u>
<b>Totals</b>			<b>5,336,201</b>		<b><u>\$670,378</u></b>

Supporting Schedule:  
(a) Schedule H-1

COLUMBUS ELECTRIC COOPERATIVE, INC.  
SUMMARY OF REVENUES BY CUSTOMER CLASS  
PRESENT & PROPOSED RATES  
TST YEAR ENDED DECEMBER 31, 2008

SCHEDULE H-1

	REVENUE IN TEST YEAR		PROPOSED INCREASE	
	PRESENT	PROPOSED	AMOUNT	%
<u>ARIZONA</u>				
RESIDENTIAL	\$ 323,391	\$ 337,543	\$ 14,152	4.38%
IRRIGATION	31,552	32,911	1,359	4.31%
SMALL COMMERCIAL	48,945	50,430	1,485	3.03%
LARGE COMMERCIAL			-	
AGRIC SERVICE	245,711	247,181	1,470	0.60%
LARGE COMMERCIAL			-	
AREA LIGHTING	2,314	2,314	-	0.00%
TOTAL	\$ 651,913	\$ 670,379	\$ 18,466	2.83%
<u>NEW MEXICO</u>				
RESIDENTIAL	\$ 3,040,946	\$ 3,161,385	\$ 120,439	3.96%
IRRIGATION	353,250	365,201	11,951	3.38%
SMALL COMMERCIAL	1,180,451	1,214,852	34,401	2.91%
LARGE COMMERCIAL	1,040,379	1,055,702	15,323	1.47%
AGRIC SERVICE	3,873,904	3,899,299	25,395	0.66%
LARGE COMMERCIAL	436,450	437,384	934	0.21%
AREA LIGHTING	152,370	152,370	-	0.00%
TOTAL	\$ 10,077,750	\$ 10,286,193	\$ 208,443	2.07%
<u>TOTAL SYSTEM</u>				
RESIDENTIAL	\$ 3,364,337	\$ 3,498,928	\$ 134,591	4.00%
IRRIGATION	384,802	398,112	13,310	3.46%
SMALL COMMERCIAL	1,229,396	1,265,282	35,886	2.92%
LARGE COMMERCIAL	1,040,379	1,055,702	15,323	1.47%
AGRIC SERVICE	4,119,615	4,146,480	26,865	0.65%
LARGE COMMERCIAL	436,450	437,384	934	0.21%
AREA LIGHTING	154,684	154,684	-	0.00%
GRAND TOTAL	\$ 10,729,663	\$ 10,956,572	\$ 226,909	2.11%